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DPD-4050-59

17 June 1959

MEMORANDUM FOR THE RECORD

SUBJECT : Concurrence in Amendment No. 12 to Contract No. BC-450
with Hycon Mfg. Company, Pasadena, California,
Project CHALICE.

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1. This memorandum contains a recommendation submitted for concurrence of the undersigned. Such recommendation is contained in Paragraph 4.

2. Contract No. BC-450 is a Time and Material type covering repair and overhaul of Project and Air Force equipment.

3. This Amendment No. 12 establishes fixed hourly rates for the period 1 February 1959 - 30 June 1959. Contract BC-450 is not being renewed for the period beginning 1 July 1959. A new contract will be issued for this period and will have the number BC-550. No change in funds are involved in this Amendment No. 12.

4. Concurrence in Amendment No. 12 to Contract No. BC-450 is recommended.

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Contracting Officer, DPD

CONCURRENCE:

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Office of General Counsel

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DPD-4145-59

18 June 1959


MEMORANDUM FOR THE RECORD

**SUBJECT : Negotiation of Fixed Hourly Rates 1 Feb. 1959 -
30 June 1959 Hycon Mfg. Company Contract BC-450**

1. Hycon by letter dated 20 April 1959, LN603 submitted their proposed fixed rates for the period 1 February 1959 - 30 June 1959.

2. Audit Report #489, DPD-3583-59 submitted comments regarding this proposal. The auditor concurred in the Hourly Basic Rate and Burden at 155%. For G&A he recommended 14 $\frac{1}{2}$ % versus Hycon's proposal of 16%. On Material Handling the Auditor recommended 14% versus 16%.

3. After discussion with Hycon and private consultation with the Air Force Auditor the parties agreed upon a G&A rate of 15% and a Material Handling rate of 14%.


Contracting Officer, DPD

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